

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:4074

ANSWERED ON:03.05.2007

BIO DIESEL

Owaisi Shri Asaduddin

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether in view of current and projected levels of crude oil prices, bio fuel is potentially viable alternative to fossil fuel;
- (b) if so, whether most of the developed countries have active programme for use of bio-diesel from various farm products;
- (c) if so, whether country has not made use of 63 million hectare of waste land for oil bearing crop;
- (d) if so, the steps taken or being taken to use this land for bio-diesel products;
- (e) whether to promote bio-fuel the Government has made necessary arrangements in the current year budget, and
- (f) if so, the extent to which these steps are likely to help in producing more bio-diesel?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a):- Yes, Sir.

(b) to (f):- The Ministry of Rural Development is the nodal Ministry for the proposed National Mission on Bio-diesel, being set up with a focus on large-scale cultivation of Jatropha. A Detailed Project Report (DPR) on the National Mission on Bio-diesel has been submitted by that Ministry to the Planning Commission. This proposal inter-alia, envisages a Demonstration Project involving plantation of Jatropha in 4 lakh hectares of degraded forest and non-forest lands for manufacturing bio-diesel. The Planning Commission has given 'in principle' approval to the DPR for the demonstration phase, estimated to cost Rs. 1286 crores over a period of 5 years. The Ministry of Rural Development has released Rs. 49 Crores to the nine States, namely Andhra Pradesh, Assam, Chattisgarh, Gujarat, Himachal Pradesh, Sikkim, Tripura, Tamil Nadu and Rajasthan for raising Jatropha seedlings in nurseries.

To encourage production of bio-diesel in the country, the Ministry of Petroleum and Natural Gas announced a Bio-diesel Purchase Policy, in October 2005, effective 1.1.2006. The policy has identified 20 purchase centres of the public sector oil marketing companies (OMCs) all over the country. The OMCs would purchase bio-diesel meeting the standards prescribed by the Bureau of Indian Standards (BIS), from those bio-diesel manufacturers who register with them after satisfying the technical specifications, at a specified delivered price. Depending upon felt need and preparedness, the OMCs could also open more purchase centres.

The Petroleum Conservation Research Association (PCRA), an organization under the Ministry of Petroleum & Natural Gas, has opened a National Bio-fuel Centre, which disseminates information related to bio-diesel.